

Monday, May 9, 2005

## **DCA TAKING HARD LINE WITH UNLICENSED HOME IMPROVEMENT CONTRACTORS, 60 VEHICLES SEIZED CITYWIDE**

### ***Home Improvement Tops List of Complaints; More than \$650,000 in Homeowner Restitution Secured Over Past Nine Months***

The New York City Department of Consumer Affairs (DCA) seized 60 vehicles owned by unlicensed home improvement contractors so far in 2005 citywide, with 80% in the month of March and April alone. And the spring home repair season has just begun. Unlicensed contractors who have their vehicles seized are required to pay a fine, resolve any outstanding complaints, and agree to get licensed before retrieving their vehicle. Complaints against unlicensed contractors and unfinished work top the list of complaints received at the DCA. In the last nine months, the DCA has secured more than \$650,000 in restitution for homeowners.

"There is no better incentive for home improvement contractors to get licensed than losing their vehicle and tools," said DCA Commissioner Gretchen Dykstra. "Unlicensed and unscrupulous home improvement contractors top our complaints list and too often we hear of the heartache many New Yorkers endure. A license protects both the homeowner and contractor - licensed contractors have passed criminal background checks, carry insurance, and homeowners can only benefit from the DCA's Home Improvement Trust Fund if they use a licensed contractor. Additionally licensed contractors have better recourse against false claims and clients that don't want to pay after work has been completed."

"Aggressive enforcement of unlicensed contractors protects consumers and the legitimate licensed contractors who play by the rules," said Bob Bernabe, President of Bernabe Home Improvement Inc. and Vice President/Grievance Committee Chairman of the Home Improvement Contractors Association of Staten Island. "We've been working with the DCA to educate consumers and increase the number of licensed contractors, and we commend the DCA for making this a priority."

In 2004 the DCA seized a total of 229 vehicles citywide - as compared with 50 seizures from the year before, representing a more than 400% increase. As a result, the number of home improvement contractors getting a license has increased by more than 30% over the past three years, with more than 8,200 currently licensed contractors citywide. There are also more than 9,000 license home improvement salespeople citywide.

By law, any person or business that solicits, canvasses, sells, performs, or obtains home improvement work that costs more than \$200, must get a license from DCA to operate legally in New York City. Home improvement work can be any type of remodeling or repair including: awnings, basements, central heating/air conditioning, cabinet installation, central vacuum cleaning system, communications systems, driveways, fences, garages, patios, porches, roofing, storm windows, swimming pools, and terraces. Landscaping is also considered home improvement, with proper planting and installation of lawn sprinklers as examples of common work.

Although a license does not ensure competence, requirements for contractors to

operate legally provide further protection for consumers. Licensed contractors must undergo a criminal history check, pass a written examination on their knowledge of the law and contracts, and contribute \$250 to the Home Improvement Contractor Trust Fund at the time of application and each time they renew, or post a bond. The DCA's Home Improvement Trust Fund reimburses homeowners - up to a maximum of \$15,000 - who hired a licensed contractor that subsequently damaged their home and went out of business or left town.

A license also provides benefits for contractors allowing them to pay into the Trust Fund, and therefore saving the expense of obtaining a bond. In addition, licensed contractors have greater recourse to defend themselves from false claims or when a client refuses to pay when the job is done.

Unlicensed home improvement contractors and unfinished, shoddy work top the list of complaints received at DCA. Last year the DCA received approximately 900 home improvement complaints, the most of any DCA complaint category. The most common complaints include contractors abandoning a job before it is completed, not performing work to industry standards, and not meeting agreed upon deadlines.

To request a license application, file a complaint, check a vendor's complaint history, or to request a copy of the DCA Home Improvement Consumer Guide with sample contract, call 311, or visit DCA online at [www.nyc.gov/consumers](http://www.nyc.gov/consumers). Homeowners can also use DCA's instant online HIC License Check found on [www.nyc.gov/consumers](http://www.nyc.gov/consumers), which is updated monthly